

**SERIAL 05103 RFP MANAGEMENT STUDY OF THE MARICOPA
COUNTY PLANNING & DEVELOPMENT DEPARTMENT**

DATE OF LAST REVISION: September 13, 2006 CONTRACT END DATE: September 30, 2006

SEPTEMBER 30, 2006

~~JULY 17, 2006~~

CONTRACT PERIOD THROUGH ~~MAY 31, 2006~~

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **MANAGEMENT STUDY OF THE MARICOPA
COUNTY PLANNING & DEVELOPMENT DEPARTMENT**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **November 25, 2005**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

DL/mm
Attach

Copy to: Clerk of the Board
Robert Markey, Planning & Development
Mirheta Muslic, Materials Management



CONTRACT PURSUANT TO RFP

SERIAL 05103-RFP

This Contract is entered into this 8th day of December, 2005 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and FM Solutions, Inc., an Arizona corporation ("Contractor") for the purchase of management consulting services for the Maricopa County Planning and Development Department.

1.0 TERM

- 1.1 This Contract is for a term of 180 days, beginning upon issuance of a notice to proceed.
- 1.2 The County may, at its option and with the agreement of the Contractor, extend the period of this Contract for one (1) additional six (6) month term. The County shall notify the Contractor in writing of its intent to extend the Contract period at least thirty (30) calendar days prior to the expiration of the original contract period, or any additional term thereafter.

2.0 PAYMENT

- 2.1 As consideration for performance of the duties described herein, County shall pay Contractor the sum stated in Final Pricing, attached hereto and incorporated herein as Exhibit "A", PRICING. Payment shall be made as set forth in the RFP and or the Best and Final Offer.
- 2.2 Invoices shall contain the following information: contract number, purchase order number, item number(s), description of services, sizes, quantities, unit prices, and extended totals and applicable sales/use tax.

3.0 DUTIES

- 3.1 The Contractor shall perform all duties stated in Exhibit "B", Scope of Work.
- 3.2 Contractor shall perform services at the location(s) and time(s) stated in Exhibit "B" or as otherwise directed.
- 3.3 During the Contract term, County shall provide Contractor's personnel with adequate workspace for consultants and such other related facilities as may be required by Contractor to carry out its contractual obligations.

4.0 TERMS & CONDITIONS

4.1 INDEMNIFICATION AND INSURANCE:

4.1.1 Indemnification.

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees and costs, relating to this Contract.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

4.1.2 Insurance Requirements.

Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect County.

The insurance policies may provide coverage, which contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. County shall not be obligated, however, to review such policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The policies required hereunder, except Workers' Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

- 4.1.2.1 Commercial General Liability. Contractor shall maintain Commercial General Liability Insurance (CGL) and, if necessary, Commercial Umbrella Insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00 01 10 93 or any replacements thereof. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

The policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.

The CGL and the commercial umbrella coverage, if any, additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form CG 20 10 10 01, and shall include coverage for Contractor's operations and products.

- 4.1.2.2 Automobile Liability. Contractor shall maintain Automobile Liability Insurance and, if necessary, Commercial Umbrella Insurance with a combined single limit for bodily injury and property damage of no less than \$1,000,000, each occurrence, with respect to Contractor's vehicles (including owned, hired, non-owned), assigned to or used in the performance of this Contract. If hazardous substances, materials, or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.

- 4.1.2.3 Workers' Compensation. Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services, as well as Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

In case any work is subcontracted, Contractor will require the Subcontractor to provide Workers' Compensation and Employer's Liability insurance to at least the same extent as required of Contractor.

4.1.3 Certificates of Insurance.

- 4.1.3.1 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.**

4.1.3.1.1 In the event any insurance policy(ies) required by this contract is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

4.1.3.1.2 If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

4.1.3.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

4.2 PROCUREMENT CARD ORDERING CAPABILITY:

It is the intent of Maricopa County to utilize the Bank of America MasterCard Procurement Card, or other procurement card that may be used by the County from time to time, to place and make payment for orders under the Contract.

4.3 INTERNET ORDERING CAPABILITY:

It is the intent of Maricopa County at its option, to utilize the Internet to place orders under this Contract.

4.4 NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County
Department of Materials Management
Attn: Director of Purchasing
320 West Lincoln Street
Phoenix, Arizona

For Contractor:

G. Philip Booker
Chief Executive Officer
FM Solutions, Inc.
3877 North 7th Street, Suite 210
Phoenix, Arizona 85014
Telephone: (602) 265-7900
Facsimile: (602) 265-9477
Email: pbooker@facilitize.com

4.5 PRICE ADJUSTMENT:

Any requests for reasonable price adjustments must be submitted sixty (60) days prior to the Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the Consumer Price Index or by performing a market survey.

4.6 TERMINATION:

County may unconditionally terminate this Contract for convenience by providing thirty (30) calendar days advance notice to the Contractor.

County may terminate this Contract if Contractor fails to pay any charge when due or fails to perform or observe any other material term or condition of the Contract, and such failure continues for more than ten (10) days after receipt of written notice of such failure from County, or if Contractor becomes insolvent or generally fails to pay its debts as they mature.

4.7 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S § 38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

4.8 OFFSET FOR DAMAGES;

In addition to all other remedies at law or equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

4.9 ADDITIONS/DELETIONS OF SERVICE:

The County reserves the right to add and/or delete products and/or services provided under this Contract. If a requirement is deleted, payment to the Contractor will be reduced proportionately to the amount of service reduced in accordance with the proposal price. If additional services and/or products are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

4.10 SUBCONTRACTING:

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County, which shall not be unreasonably withheld. All correspondence authorizing subcontracting must reference the Proposal Serial Number and identify the job project.

4.11 AMENDMENTS:

All amendments to this Contract must be in writing and signed by both parties.

4.12 RETENTION OF RECORDS:

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

4.13 AUDIT DISALLOWANCES:

If at any time County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

4.14 VALIDITY:

The invalidity, in whole or in part, of any provision of the Contract shall not void or affect the validity of any other provision of this Contract.

4.15 RIGHTS IN DATA:

The County shall have the use of data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

4.16 INTEGRATION

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

CONTRACTOR

AUTHORIZED SIGNATURE

PRINTED NAME AND TITLE

ADDRESS

DATE

MARICOPA COUNTY

BY: _____
DIRECTOR, MATERIALS MANAGEMENT

DATE

BY: _____
CHAIRMAN, BOARD OF SUPERVISORS

DATE

ATTESTED:

CLERK OF THE BOARD

DATE

APPROVED AS TO FORM:

MARICOPA COUNTY ATTORNEY

DATE

EXHIBIT A

SERIAL: 05103-RFP

COMMODITY CODE: NIGP 98167

BLANKET ORDER NUMBER:

VENDOR NAME:

FM Solutions, Inc.

VENDOR NUMBER:

3877 North 7th Street, Suite 210 4001 N 3rd Street Suite
250, Phoenix, AZ 85014

VENDOR ADDRESS:

P.O. ADDRESS:

N/A

VENDOR PHONE NUMBER:

(602) 265-7900

VENDOR FAX NUMBER:

(602) 265-9477

VENDOR WEB SITE:

www.facilitize.com

VENDOR REPRESENTATIVE:

G. Phillip Booker

VENDOR REP's E-MAIL:

gbooker@facilitize.com

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA E-MAIL: ☒ YES ☐ NO

ACCEPT PROCUREMENT CARD: ☒ YES ☐ NO

REBATE (cash or credit) FOR USING PROCUREMENT CARD: ☐ YES ☒ NO
(Payment shall be made within 48 hours using Procurement Card)

OTHER GOVERNMENT AGENCIES MAY USE THIS CONTRACT: ☒ YES ☐ NO

PAYMENT TERMS: Net 30 Days

PERCENTAGE OF SBE/MBE/WBE PARTICIPATION: 10%

1.0 PRICING (Billing upon deliverable hours. Must document work hours for each staff category.)

1.1 NOT-TO-EXCEED, ESTIMATED PRICE FOR THIS PROJECT \$124,890.00

1.2 PERSONNEL CATEGORIES	HOURLY RATE	DEDICATED HOURS
1.2.1 PRINCIPAL	\$145.00	88
1.2.2 SENIOR PROJECT MANAGER	\$120.00	556
1.2.3 PROJECT ASSISTANT	\$45.00	220
1.2.4 SENIOR TECHNICAL SPECIALIST	\$90.00	347
1.2.5 CLERICAL	\$45.00	24
1.2.6 TECHNOLOGY SPECIALIST	\$100.00	32

1.3 TRAVEL CAPPED AT % N/A OF NOT-TO-EXCEED IN 1.1 ABOVE

1.4 REIMBURSABLE PRINTING EXPENSES Actual Cost x 1.05

NOTE: All travel is to be in accordance with the Maricopa County travel policy and must be pre-approved by the Maricopa County project manager for this project.

EXHIBIT B

Management Study of the Maricopa County Planning & Development Department

1.0 INTENT:

The intent of this contract is to provide a professional, in-depth, comprehensive and organized management / human services analysis of the Maricopa County Planning & Development Department (P&D) that will lead to specific improvement recommendations, including appropriate staffing levels and service fee structures, and technical concerns as specified in this Scope of Work.

This document defines the basic services required. Contractor shall furnish all labor, materials and equipment (including data processing equipment) necessary to perform the work required.

2.0 SCOPE OF WORK:

Contractor shall furnish all necessary labor, materials, equipment and space needed to provide professional management / human services analysis in accordance with the provisions specified herein.

2.1 The Contractor shall evaluate and submit progress reports, draft final report(s) and a final report on the following five (5) Areas of Concern:

2.1.1 The Planning & Development (P&D) business process;

2.1.2 The One Stop Shop Program;

2.1.3 The P&D technology platform and processes;

2.1.4 P&D projects (e.g., imaging, workflow, on-line and internet-based permit processing, GIS integration, GPS, wireless connectivity, etc.) to move from paper to electronic environments; and

2.1.5 Customer service interfaces, including human and technological resources.

2.2 Tasks

For each of the five (5) Areas of Concern indicated in 2.1 above, the Contractor shall:

2.2.1 Analyze and Map the Current Process Flow.

2.2.1.1 Utilizing the methodology and guidelines published by the Business Process Management Initiative (BPMI). Observe the P&D's current process(es) then create 'current state', medium-level of detail process maps using iGrafx software to define the relationships between respective divisions within the P&D. Process maps will be evaluated using Value Stream Mapping (VSM) methodology

2.2.1.2 Conduct one-on-one interviews with stakeholders such as suppliers, customers, and other parties intervening in the process being mapped and group interviews with the same stakeholders.

2.2.1.3 Contractor shall conduct a facilitated group meeting including the division manager and appropriate staff (as determined by each division manager) of each of the included divisions. During this meeting, Contractor will:

2.2.1.3.1 Introduce Contractor consultant personnel and key personnel within each of the divisions to establish lines of communication between the stakeholders;

- 2.2.1.3.2 Review the purpose of the project, and confirm goals and objectives for the project;
- 2.2.1.3.3 Establish and confirm the commitment of all stakeholders to share information;
- 2.2.1.3.4 Review all current process-related information that currently exists. These may be process charts created by others previously or documentation of current procedures commonly used; and
- 2.2.1.3.5 Develop an agreed upon inventory of all pertinent processes to be included in the study, and identify a P&D process expert for each process that will serve as a liaison and facilitator between the Contractor and P&D teams for the gathering of relevant data for the study.
- 2.2.1.4 Following the meeting, Contractor team shall proceed with individual interviews with each process expert. The interviews will include:
 - 2.2.1.4.1 Document and understand the purpose of each process;
 - 2.2.1.4.2 Document the input, process steps, durations, resources utilized, and output of each process;
 - 2.2.1.4.3 Determine if output from each process is input for subsequent processes; and
 - 2.2.1.4.4 Document the flow of each process to include current tools or technology used.
- 2.2.1.5 Following these interviews, Contractor shall prepare preliminary process maps for each process. Linkage and dependencies between processes will be included in these preliminary process maps. After the preliminary process maps are completed, Contractor shall arrange a meeting with the original P&D group to review and validate the preliminary maps.
- 2.2.1.6 Contractor shall complete a walk-thru of each process that has been mapped.
- 2.2.1.7 Contractor shall present finalized current process maps to the County for validation.
- 2.2.2 Evaluate the Process Outcomes.
 - 2.2.2.1 Contractor shall use value, time and cost as the metrics for evaluation of process outcomes.
 - 2.2.2.2 Contractor shall use the Value Stream Mapping (VSM) technique in the analysis and evaluation of outcomes of each process.
 - 2.2.2.3 Contractor shall categorize process activities into one of three categories:
 - 2.2.2.3.1 Value adding activities P&D's customers are looking for and willing to pay for;
 - 2.2.2.3.2 Non-value adding activities, but necessary to perform to complete the process; and

2.2.2.3.3 Non-value adding activities not necessary to satisfy P&D's customer's needs.

2.2.2.4 Contractor shall evaluate and report on process time and cost. Both process cycle time and labor hours expended shall be documented.

2.2.2.5 Contractor shall evaluate the three (3) categories above through comparison with those of other similar organizations, both locally and nationally.

2.2.2.5.1 Contractor shall compare these process outcomes with current fee structure and income streams in order to compare P&D's current process costs versus anticipated fee income.

2.2.3 Determine Best Practices and Benchmarks.

2.2.3.1 Contractor Benchmarking process shall compare P&D's current performance with other local and national organizations to:

2.2.3.1.1 Identify Under- and Over- Performance;

2.2.3.1.2 Create a basis for Goal Setting;

2.2.3.1.3 Create an Acceptance for Change;

2.2.3.1.4 Identify Improved Work Processes;

2.2.3.1.5 Provide Focus for Improved Customer Satisfaction; and

2.2.3.1.6 Identify Potential Cost Savings.

2.2.3.2 Contractor will identify the current status of the P&D technology infrastructure and compare with other organizations to find a cost efficient technology migration plan to support process improvement opportunities.

2.2.3.3 The outcome of this task will be a comparison between the outcomes of those considered "industry leaders" on a local and national basis with Maricopa County. If additional information is required, a specialized data collection process will be implemented. Existing Maricopa County performance will be compared to Best in Class Practices and improvement opportunities will be identified. This will include an assessment of overall process costs, customer satisfaction data, technology utilization, and staffing levels. Highest payback improvements for staffing adjustments and work processes will be prioritized and highlighted for further analysis.

2.2.4 Develop a Family of Performance Measures.

2.2.4.1 Contractor shall address current P&D Managing For Results goals. Contractor shall also address the following issues that have been identified as barriers by P&D in achieving a fully functional One Stop Shop (OSS):

2.2.4.1.1 Current business processes in support of OSS goals are not aligned within the OSS partners.

2.2.4.1.2 The OSS process does not provide a physical single stop for review of customer's submittals.

2.2.4.1.3 Current administration of inspections, building and flood, being provided by separate programs does not allow for a coordinated and timely completion of these tasks.

2.2.4.1.4 The OSS partners currently depend on a manual paper based distribution and review to process documents and plans for each permit request.

2.2.5 Recommend Specific Improvements in Staffing Levels, Fee Structures, and Work Process Flow.

2.2.5.1 For this task, Contractor shall analyze and document staffing requirements for the separate Divisions. The assessment of staffing requirements shall include an assessment of the adequacy of service levels to meet P&D's customer expectations. Contractor shall employ the following types of analytical activities to evaluate the staffing requirements for P&D operations.

2.2.5.2 Contractor will gather and analyze the appropriate policies, procedures, and operations guidelines that affect staffing within the Divisions. This would include the review and analysis of the Department Business Plan.

2.2.5.3 Contractor will analyze the level of service delivered by the respective Divisions. This compares the staff labor hours required to meet customer expectations at a level suggested by Section 2.2.4, above. The assessment will include the documentation of the existing levels of service and the gaps that exist between these actual levels of service versus benchmark guidelines. These gaps will be identified by specific elements (i.e. plan review, inspection, etc.)

2.2.5.3.1 The Contractor's assessment of staffing requirements for the Divisions will document:

2.2.5.3.1.1 The labor hours required based upon current and projected workloads

2.2.5.3.1.2 That portion of plan review and inspection activities that is currently performed by contractors

2.2.5.4 Contractor will assess the extent of the backlog or queue time of customer requests. Assessment of the backlog will include the identification and categorization of those types of work that should be performed by the staff of the Division (versus contractors), the estimated labor hours required, and the estimated priority and timing for the specific customer request.

2.2.5.5 Contractor will evaluate the adequacy of major work practices. This analysis will focus on the identification of opportunities to streamline work practices to increase utilization levels and/or reduce requirements for staff, overhead, equipment, and property. Through the analysis of major work practices, Contractor will seek to determine if:

2.2.5.5.1 Staff sizes in various units are appropriate to the type and volume of work performed;

2.2.5.5.2 Ways exist to reduce travel time and unproductive staff usage;

2.2.5.5.3 Non-value added tasks can be eliminated; and

- 2.2.5.5.4 The amount of labor hours required to complete tasks by the Divisions is reasonable
- 2.2.5.6 Contractor will evaluate work planning and scheduling. This analysis will focus on systems and processes used to plan and schedule work in the Division to improve the efficient utilization of staff such as:
 - 2.2.5.6.1 Evaluation of the Accela “Permits Plus” program used by the respective Divisions as well as other electronic information systems used by P&D;
 - 2.2.5.6.2 Evaluation of current scheduling tools used to assign staff; and
 - 2.2.5.6.3 The existence of basic frequency and task time completion standards for work activities and, if available, whether the information is used to monitor actual performance.
- 2.2.5.7 Contractor will document the actual staff hours available for the work performed by the Divisions.
- 2.2.5.8 Contractor will document the extent of reliance on overtime by the Divisions.
- 2.2.5.9 Contractor will document the current fee structure for the Divisions. This analysis would involve the comparison of fee income projections with associated costs required to deliver the respective services within customer expectations. The results will provide a baseline that can be used to identify potential fee adjustments depending upon customer demand and internal cost projections.
- 2.2.5.10 Identify opportunities to introduce new technology or enhance existing technology. The benefits of an electronic work flow can be significant as can the potential costs for implementation. This analysis would involve the evaluation of where technology can best be used to accomplish the stated goals of the respective Divisions. It would also document current use of technology to include training and utilization analysis.
- 2.2.5.11 Contractor will also evaluate the staffing plans and work performed by the Technology Division and Administrative Services that support the other operating Divisions of P&D for each of the activities identified above.
- 2.2.5.12 Contractor shall provide the following recommendations associated with the completion of this task.
 - 2.2.5.12.1 Specific staffing required given customer demands and acceptable levels observed at benchmark organizations.
 - 2.2.5.12.2 Specific positions that could be reallocated if reasonable utilization levels were obtained or responsibilities were adjusted.
 - 2.2.5.12.3 Identification of areas in which additional staff or technology resources are required to address customer service level deficiencies.
 - 2.2.5.12.4 Specific steps that need to be taken to reach reasonable utilization levels to include:

- Specific changes in existing work methods and practices
- Adjustments in existing planning and scheduling techniques
- Technology improvements that can improve performance

2.2.5.11.5 Identification of potential fee adjustments as required to align with customer demands and internal cost structure.

2.2.6 Perform a Cost-Benefit Analysis of Each Recommended Change.

2.2.6.1 Contractor shall group specific improvement recommendations into a series of Change Initiatives which will consist of the following:

2.2.6.1.1 Specific process improvement goals aligned with MFR performance measures

2.2.6.1.2 Revised Process Maps documenting specific process improvement changes

2.2.6.1.3 Organizational changes to include internal personnel relationships, roles, and responsibilities.

2.2.6.1.4 Required technology improvements and tools to include integration with existing IT infrastructure.

2.2.6.1.5 Cost of implementation including impacts to other processes.

2.2.6.1.6 Offsetting fee adjustments or cost reductions resulting from implementation.

2.2.6.1.7 Development of Implementation plan to include schedule, training, improvement testing, customer roll-out and feedback process

2.2.6.1.8 Specific performance measurement targets including comparison with current baselines.

2.2.6.1.9 Identification of potential barriers

2.2.6.1.10 Preparation of integrated Business Case summarizing benefits of proposed Change Initiative and associated costs of implementation. This Business case would also identify potential risks and risk mitigation strategies.

2.2.6.2 Each Change Initiative shall have specific Options identified that may offer additional performance improvement potential but will require additional investment. These Options will be structured to provide decision flexibility for the P&D leadership.

2.2.6.3 Each Change Initiative will be designed to be implemented independently of other Change Initiatives wherever possible. However, there will be inevitable inter-relationships that will promote and reinforce the concept of a One Shop Stop.

2.2.7 Provide Functional, Technical and Process Specifications for any Recommended Technology Software or Hardware Platforms.

2.3.1.1 Contractor will work with the P&D Technology Division to understand its current infrastructure and what is working well. Contractor will also assess the

skill levels of current staff as to what technologies they are capable of supporting.

2.3.1.2 Contractor will use standardized process mapping tools that can be directly mapped to any business modeling execution languages (Business Process Modeling Language (BPML) or Business Process Execution Language for Web Services (BPEL4WS) for immediate execution. This will facilitate the design of an automated system based on work flow logic captured in the business process maps.

2.3.1.3 Contractor will take Customer service interface requirements into consideration.

2.3.1.4 If or when P&D Leadership adopts the specific Change Initiatives, Contractor technology support team will facilitate a technical scoping workshop to include the P&D Technology Division as well as the process experts from the other respective operating divisions. The purpose of this workshop will be to define the specific scope of work required to modify P&D's current technology infrastructure to accommodate the agreed upon Change Initiatives. This will include both hardware and software upgrades. It will also evaluate the use of Application Service Provider (ASP) technology models as well as P&D-owned and operated technology models.

2.3.1.4.1 Contractor will translate this scope of work into a generic outline specification of hardware, software, customized interfaces, system integration, and training requirements for recommended technology improvements.

2.3 Progress Reports

2.3.1 The initial progress report is due 30 days after contract award and will include a detailed project plan identifying milestones and time elements of the project as well as a proposed meeting schedule to present progress.

2.3.2 Subsequent monthly progress reports will include at a minimum, review of the project plan, work completed, any issues that may impact the project and preliminary review of analysis, research and recommendations before they are submitted as a final report. All analysis, research and recommendations, including recommended time frames for implementation, should be reported in a document format agreed upon by both parties.

2.4 Draft Final Report

The draft final report shall be submitted within five (5) months after contract award and shall include preliminary information about the project findings, including:

2.1.4.1 A cost / benefit analysis for any and all recommendations;

2.1.4.2 Functional, technical and process specifications for any recommended software or hardware platforms;

2.1.4.3 Best practice recommendations on workflow processes;

2.1.4.4 Performance measures associated with recommendations in accordance with Maricopa County's Managing for Results (MFR) Program, including outcomes, quality, efficiency, outputs and inputs.

2.5 Final Report

The Final Report shall be delivered within six (6) months after contract award and shall include complete information on all tasks identified in the Scope of Work.

2.6 Reimbursable Printing Expenses

Reimbursable printing expenses shall include documents printed for periodic monthly review meeting as well as final report document. Miscellaneous printing of documents unrelated to monthly reviews shall not be considered as reimbursable printing expenses.

FM SOLUTIONS INC, 4001 N 3RD STREET SUITE 250, PHOENIX, AZ 85014
~~3877 N 7TH STREET SUITE 210, PHOENIX, AZ 85014~~

PRICING SHEET: P089504/B0600764/NIGP 91867/ NIGP 91875)

Terms:	NET 30
Vendor Number:	W000002592 X
Telephone Number:	602/265-7900
Fax Number:	602/265-9477
Contact Person:	G. Philip Booker
E-mail Address:	pbooker@facilitize.com
Company Web Site:	www.facilitize.com
Contract Period:	To cover the period ending May 31, July 17 September 30, 2006.